

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

FORM APPROVED
OMB NO. 1040-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-75503
TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR QUESTAR EXPLORATION & PRODUCTION COMPANY		7. UNIT AGREEMENT NAME N/A
3. ADDRESS 11002 E. 17500 S. Vernal, Ut 84078		8. FARM OR LEASE NAME, WELL NO. HK 12ML-30-8-25
Contact: Jan Nelson E-Mail: jan.nelson@questar.com		9. API NUMBER: 43-047-37114
Telephone number Phone 435-781-4331 Fax 435-781-4323		10. FIELD AND POOL, OR WILDCAT UNDESIGNATED Wildcat
4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*) At Surface 657733X 2055' FSL 767' FWL NWSW, (LOT 3) SECTION 30, T8S, R25E At proposed production zone 4439386Y 40-091887-109.149763		11. SEC., T, R, M, OR BLK & SURVEY OR AREA SEC 30 T8S R25E Mer SLB
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE* 41 +/- SOUTHEAST OF VERNAL, UTAH		12. COUNTY OR PARISH Uintah
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig, unit line if any) 767' +/-		13. STATE UT
16. NO. OF ACRES IN LEASE 960		17. NO. OF ACRES ASSIGNED TO THIS WELL 40
18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft		20. BLM/BIA Bond No. on file ESB000024
19. PROPOSED DEPTH 7375'		22. DATE WORK WILL START ASAP
21. ELEVATIONS (Show whether DF, RT, GR, ect.) 5269' GR		23. Estimated duration 10 days
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A surface Use Plan (if location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

SIGNED Jan Nelson Name (printed/typed) Jan Nelson DATE September 1, 2005
TITLE Regulatory Affairs

(This space for Federal or State office use)

PERMIT NO. 43-047-37114 APPROVAL DATE _____

Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III

DATE 09-12-05

*See Instructions On Reverse Side

18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations or to any matter within its jurisdiction

Federal Approval of this
Action is Necessary

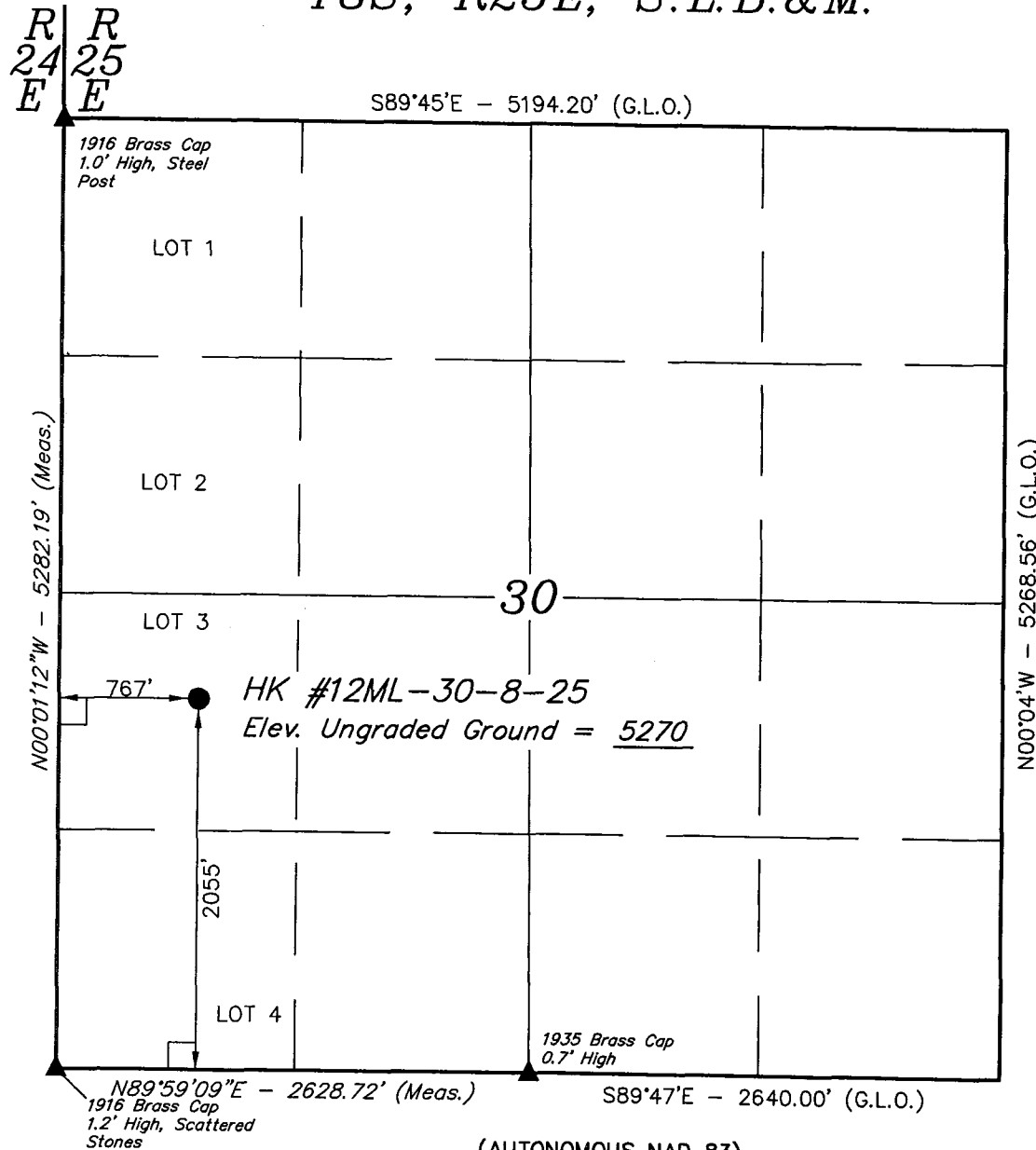
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DIV. OF OIL, GAS & MINING

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QUESTAR EXPLR. & PROD.

T8S, R25E, S.L.B.&M.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 40°05'30.92" (40.091922)

LONGITUDE = 109°09'01.72" (109.150478)

(AUTONOMOUS NAD 27)

LATITUDE = 40°05'31.04" (40.091956)

LONGITUDE = 109°08'59.30" (109.149806)

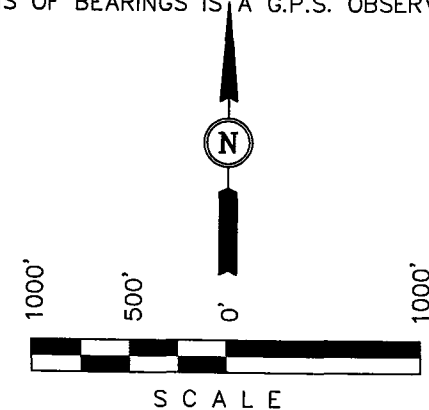
Well location, HK #12ML-30-8-25, located as shown in the NW 1/4 SW 1/4 (LOT 3) of Section 30, T8S, R25E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 34, T8S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5350 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert A. King
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-11-05	DATE DRAWN: 08-14-05
PARTY D.A. T.A. L.K.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE QUESTAR EXPLR. & PROD.	

Additional Operator Remarks

Questar Exploration & Production Co. proposes to drill a well to 7375' to test the MesaVerde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements"

See attached 8-point drilling program.

See Multi point surface use program.

Please be advised that Questar Exploration & Production Co. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is Questar Exploration & Production Co. via surety as consent as provided for the 43 CFR 3104.2.

ONSHORE OIL & GAS ORDER NO. 1
Questar Exploration & Production Co.
HK 12ML-30-8-25

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Green River	Surface	
Wasatch	3730'	Gas
Mesa Verde	4990'	
TD	7375'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Mesa Verde	7375'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right # 49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonstis Valley Disposal Site; SWNW, Section 12, T8S, R21E or RNI Water Disposal Site; NWNE, Section 5, T9S, R22E.

ONSHORE OIL & GAS ORDER NO. 1
 Questar Exploration & Production Co.
 HK 12ML-30-8-25

DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>	
Surface	450'	12 1/4"	9-5/8"	J-55	36 lb/ft (new)	
LT&C						
TD	7375'	7 -7/8"	4 -1/2"		M-80	11.60 lb/ft
(new)LT&C						

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
- If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

ONSHORE OIL & GAS ORDER NO. 1
Questar Exploration & Production Co.
HK 12ML-30-8-25

DRILLING PROGRAM

- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Mesa Verde interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

ONSHORE OIL & GAS ORDER NO. 1
Questar Exploration & Production Co.
HK 12ML-30-8-25

DRILLING PROGRAM

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	257sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Fill to surface with 160 cf (1541sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-389sx* Tail-1258sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Tail to 3200' ($\pm 500'$ above production zone). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Lead to surface. Tail plug used. Allowed to set under pressure.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

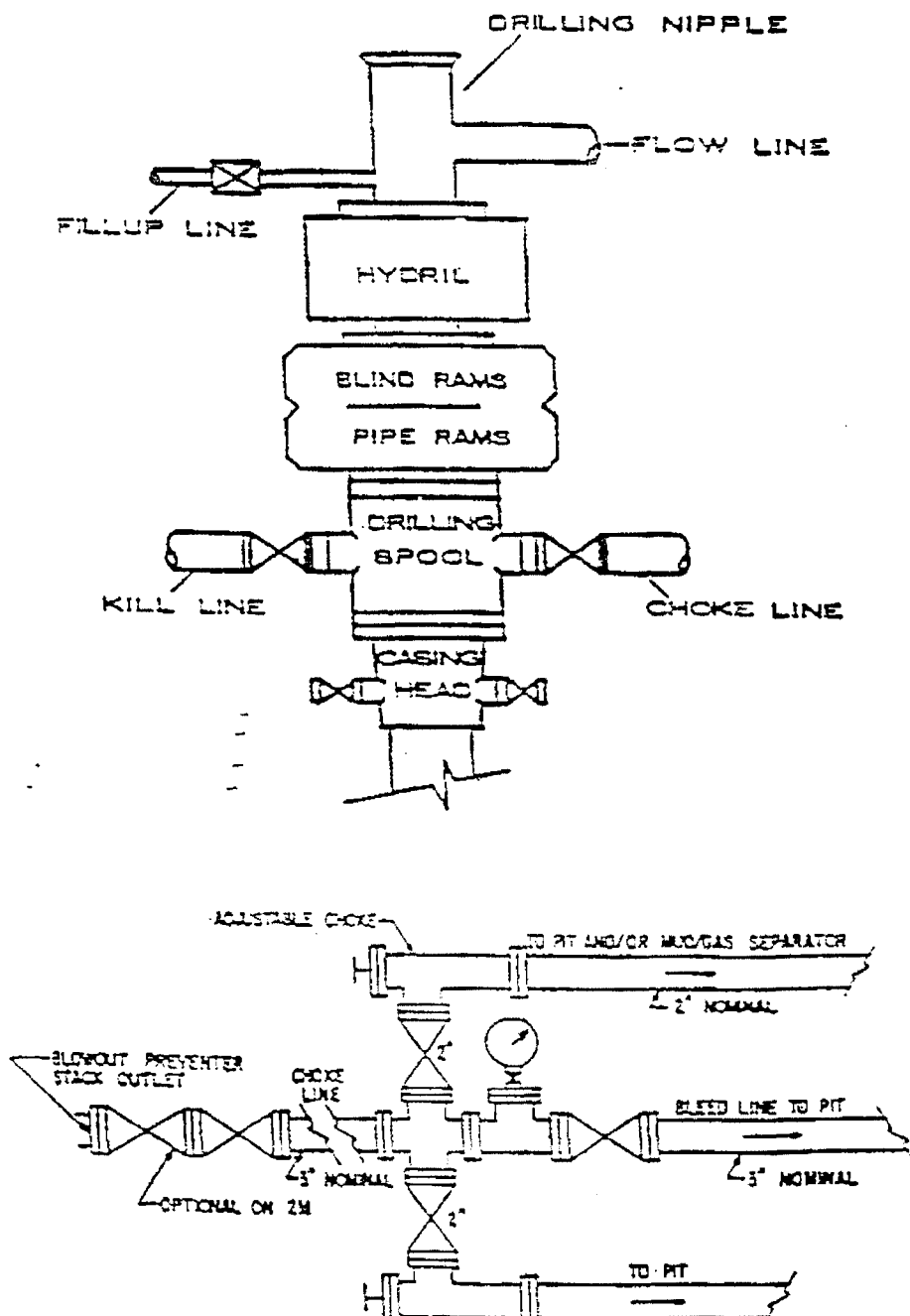
8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3198.0 psi. Maximum anticipated bottom hole temperature is 140° F.

ONSHORE OIL & GAS ORDER NO. 1
Questar Exploration & Production Co.
HK 12ML-30-8-25

DRILLING PROGRAM

SCHEMATIC DIAGRAM OF 3,000 PSI BOP STACK



Questar Exploration & Production Company
HK 12ML-30-8-25
2005' FSL 767' FWL
NWSW, (LOT 3) SECTION 30, T8S, R25E
UINTAH COUNTY, UTAH
LEASE # UTU-75503

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the HK 12ML-30-8-25 on August 22, 2005. Weather conditions were clear and sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler	Bureau of Land Management
Dixie Sadlier	Bureau of Land Management
Jan Nelson	QEP Uinta Basin Inc.

1. Existing Roads:

The proposed well site is approximately 41 miles southeast of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be improvements made to existing power line two track road under existing Right-of-Way UTU-82297.

2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road.

The part of road that travels off lease will require an access corridor that contains the access road and pipeline.

The part of the proposed access road is approximately 1100' in length in section 30, T8S, R25E.

New access road will be 50' in width crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 50 feet. At drainage crossings QEP will install one low water crossing, two 36" culverts and one 18" culvert. Graveling or capping the road bed will be performed as necessary to provide a well constructed, safe road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Refer to Topo Map D for the location of the proposed pipeline.

QEP will bury a 3" fusion bond epoxy, .216 wall, schedule #20 pipeline a minimum of 4 feet deep. The 4" pipeline will tie into the proposed 8" trunkline as shown on topo D.

As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted

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where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface, and soil types with a poor history of successful rehabilitation.

A containment dike will be constructed completely around those production facilities which contains fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The use of topsoil of the construction of dikes will not be allowed. All loading lines will be placed inside the berm surrounding tank battery. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. Authorized Officer determined the facilities will be painted Olive Black, color number 5WA20-6.

5. Location and Type of Water Supply:

Fresh water drilling fluids will be obtained from Wonsits Valley Water Right # 36125, or Red Wash Right # 49-2153.

6. Source of Construction Materials:

Surface and subsurface materials in the immediate area will be utilized. Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility with 120 days after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order #7, all produced water will be contained in tanks on location and then hauled to Wonsits Valley location in SWNW section 12, T8S, R21E; or Red Wash Disposal Well located in NESW, Section 28, T7S, R22E; or, Red Wash Central Battery Disposal located in SWSE, Section 27, T7S, R23E. Pit reclamation for lined pit will be ruptured when emptied to allow the remaining liquid to be adequately mixed and to promote additional drying of the pit area.

8. Ancillary Facilities:

None anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. Plans for Reclamation of the Surface:

Topsoil will be stripped and salvaged to provide for sufficient quantities to be respread to a depth of at least 4 to 6 inches over the disturbed areas to be reclaimed. Topsoil shall be stock piled separately from subsoil materials. Topsoil salvaged from the reserve pit shall be stockpiled separately near the reserve pit. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting.

Interim Reclamation

Once the well is put onto production, QEP will reclaim as much of the well pad as possible that will allow for operations to continue in a safe and reasonable manner. Reseeding will be done in the fall of every year to allow winter precipitation to aid in the success of reclamation.

Seed Mix:

Interim Reclamation:

9 lbs Hycrest Crested Wheatgrass

3 lbs Forage Kochia

Final Reclamation:

Final reclamation seed mix will be determined by Authorized Officer at time of final reclamation.

11. Surface Ownership:

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(435) 781-4400

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

There is a Burrowing Owl Stipulation from April 1st to August 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

There is a Ferruginous Hawk Stipulation from March 1st to July 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

Three weeks prior to construction need to contact Bart Zwetzig with the BLM to make sure there are no sign of Ferrets.

No drilling or construction will take place during the Pronghorn season May 10 thru June 20th.

Lessee's or Operator's Representative:

Jan Nelson
Red Wash Rep.
Questar Exploration & Production Co.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4331

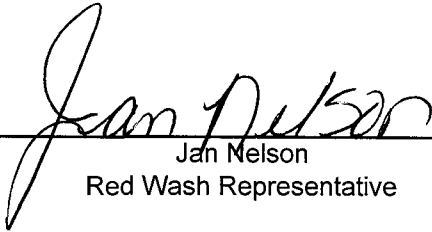
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Questar Exploration & Production Co. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Questar Exploration & Production Co.'s contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Jan Nelson
Red Wash Representative

01-Sep-05
Date

QUESTAR EXPLR. & PROD.

HK #12ML-30-8-25

LOCATED IN UINTAH COUNTY, UTAH
SECTION 30, T8S, R25E, S.L.B.&M.

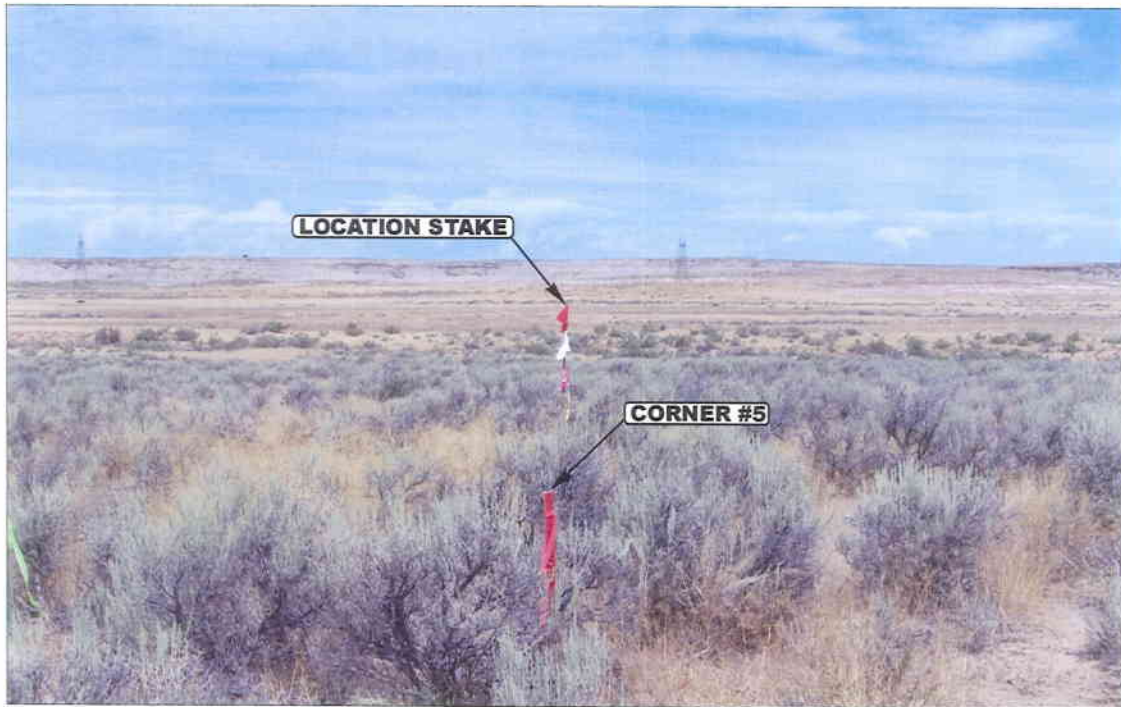


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

08 14 05
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: L.K.

REVISED: 00-00-00

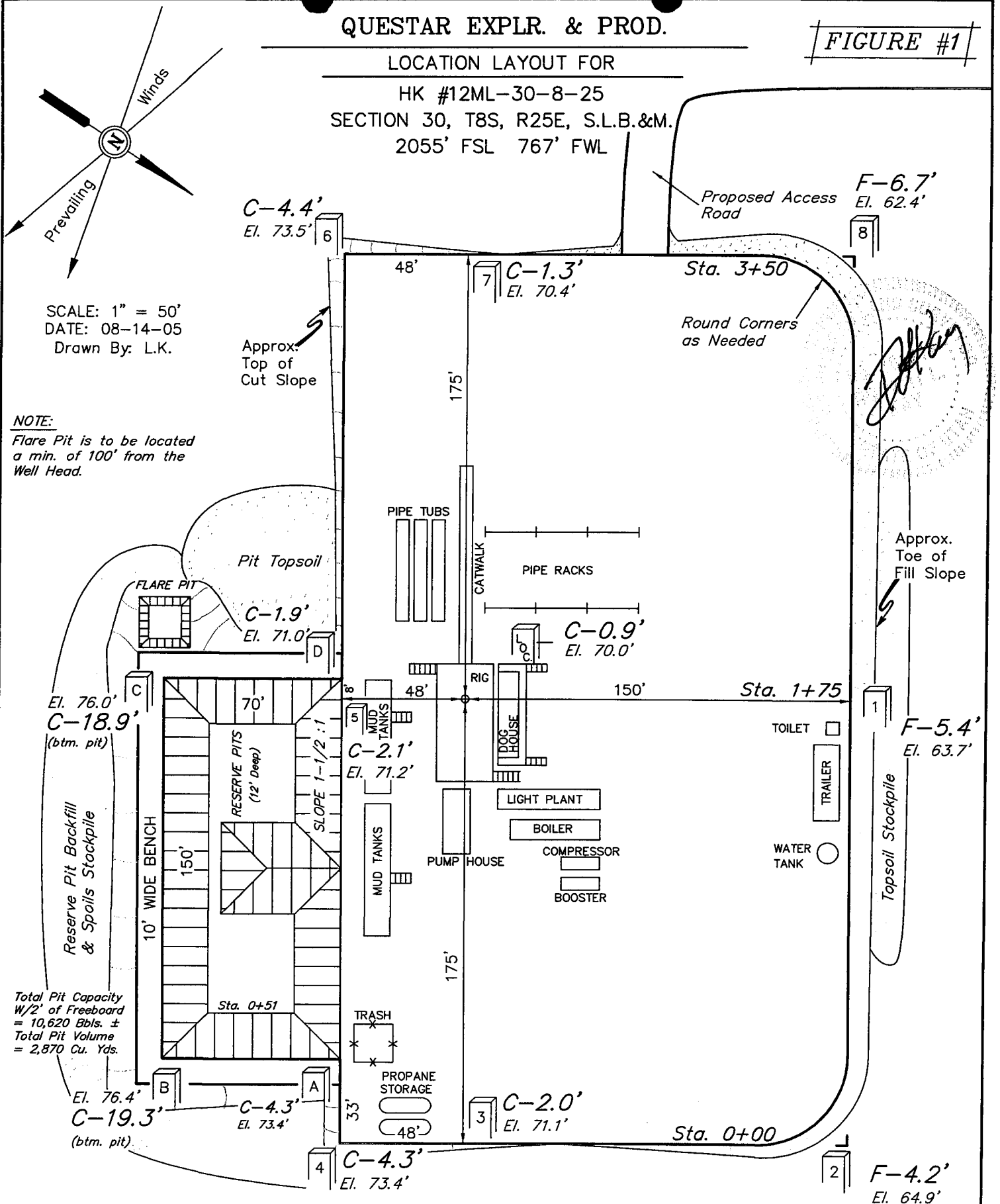
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QUESTAR EXPLR. & PROD.

FIGURE #1

LOCATION LAYOUT FOR

HK #12ML-30-8-25
SECTION 30, T8S, R25E, S.L.B.&M.
2055' FSL 767' FWL



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5270.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5269.1'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

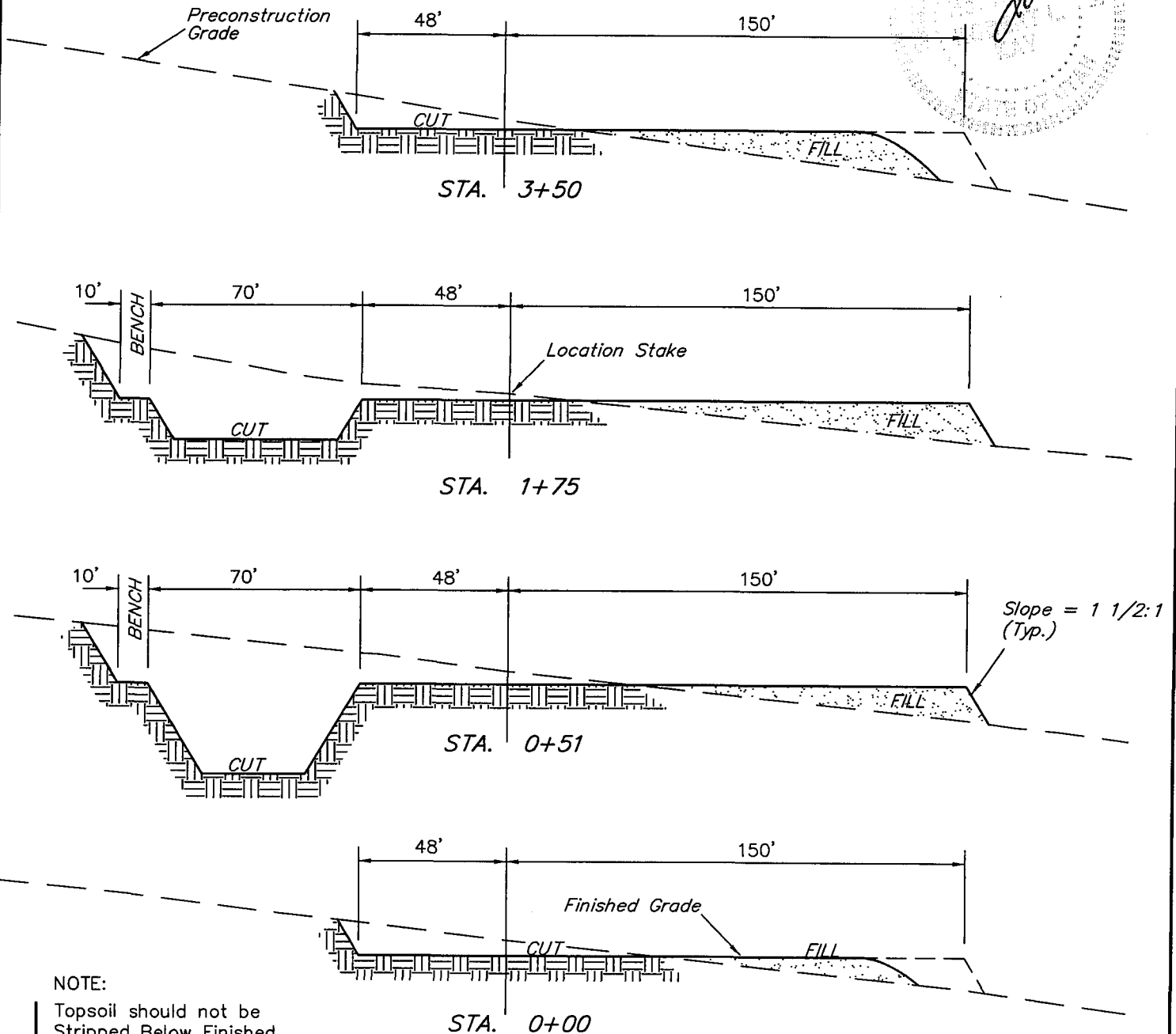
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FIGURE #2

HK #12ML-30-8-25

2055' FSL 767' FWL

DATE: 08-14-05
Drawn By: L.K.



Topsoil should not be Stripped Below Finished Grade on Substructure Area.

CUT

(12") Topsoil Stripping	= 1,750 Cu. Yds.
Remaining Location	= 6,890 Cu. Yds.

TOTAL CUT = 8,640 CU.YDS.

FILL = 5,450 CU.YDS.

FILL QUANTITY INCLUDES
5% FOR COMPACTION

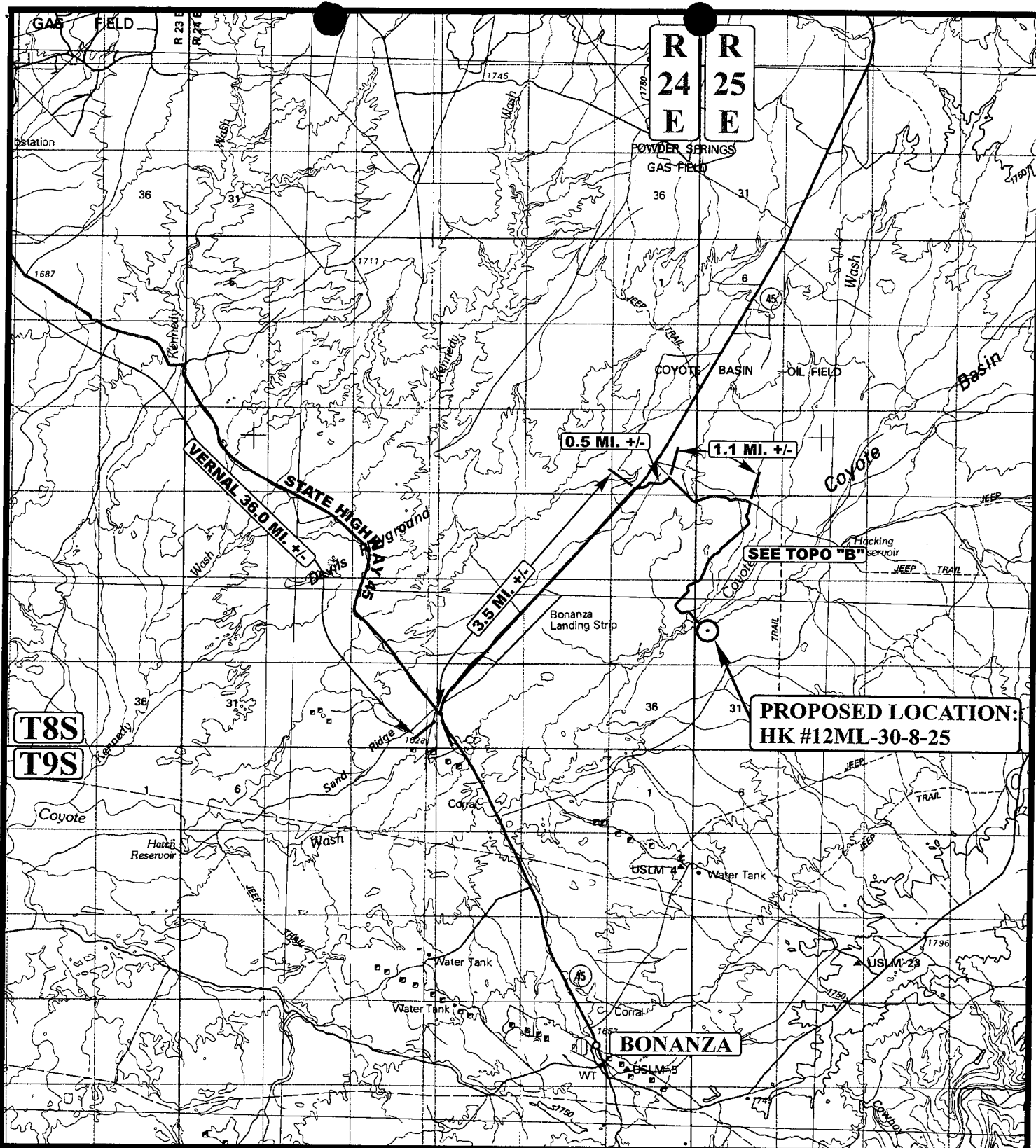
Excess Material = 3,190 Cu. Yds.

Topsoil & Pit Backfill = 3,190 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE
(After Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

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LEGEND:

○ PROPOSED LOCATION

QUESTAR EXPLR. & PROD.

HK #12ML-30-8-25

SECTION 30, T8S, R25E, S.L.B.&M.

2055' FSL 767' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

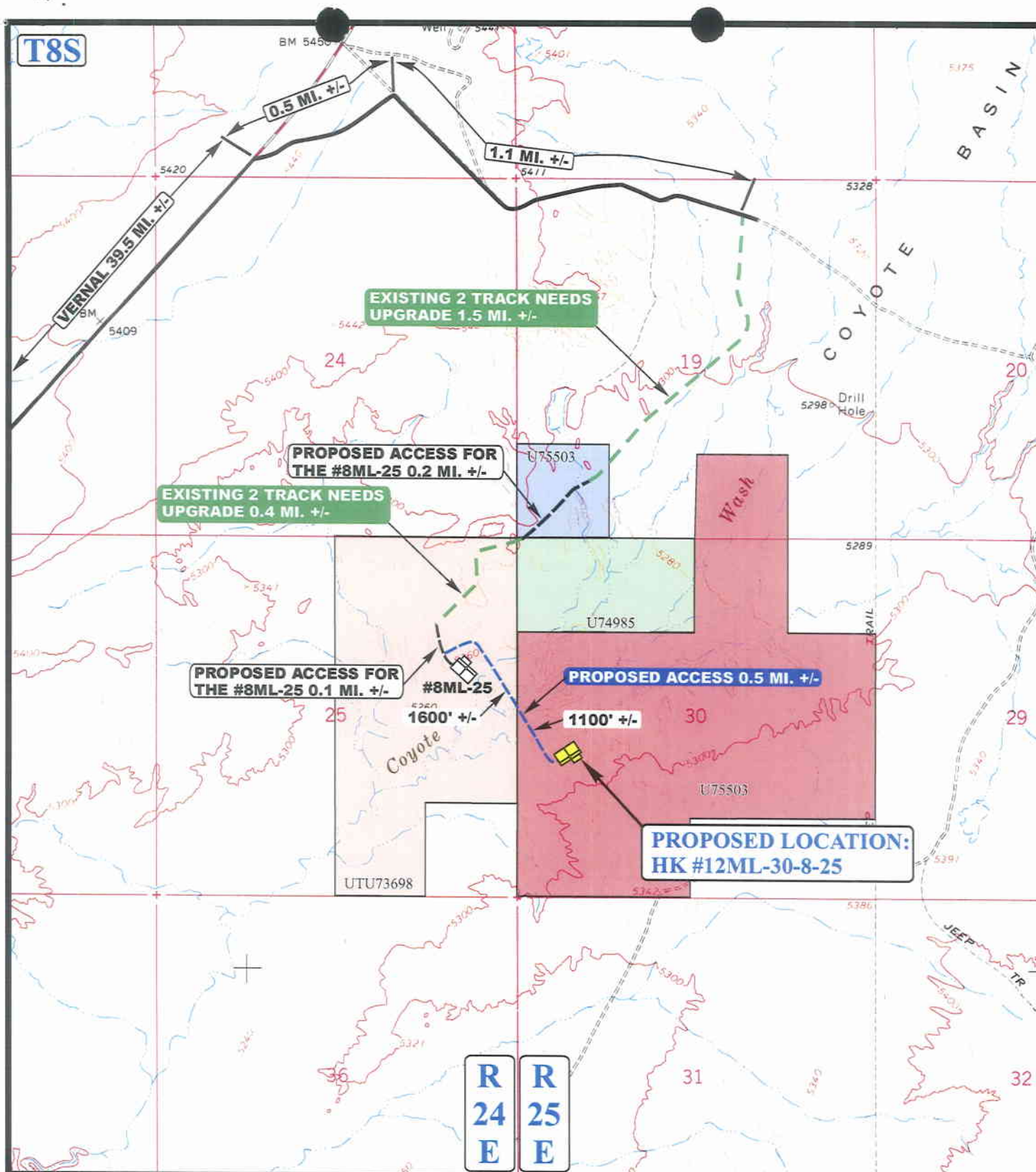
**TOPOGRAPHIC
MAP**

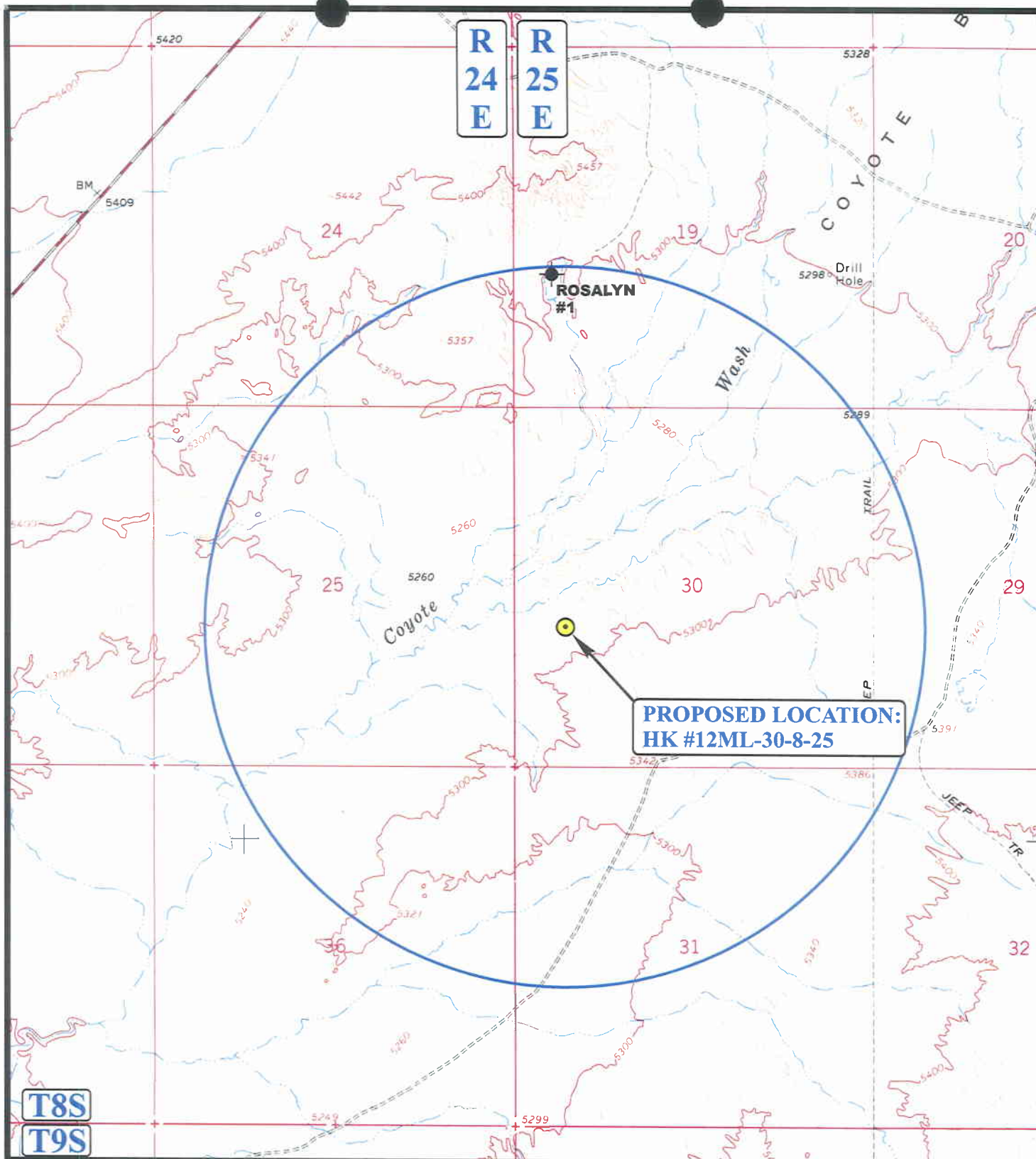
08 14 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00

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TOPO**

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LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

QUESTAR EXPLR. & PROD.

HK #12ML-30-8-25
SECTION 30, T8S, R25E, S.L.B.&M.
2055' FSL 767' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

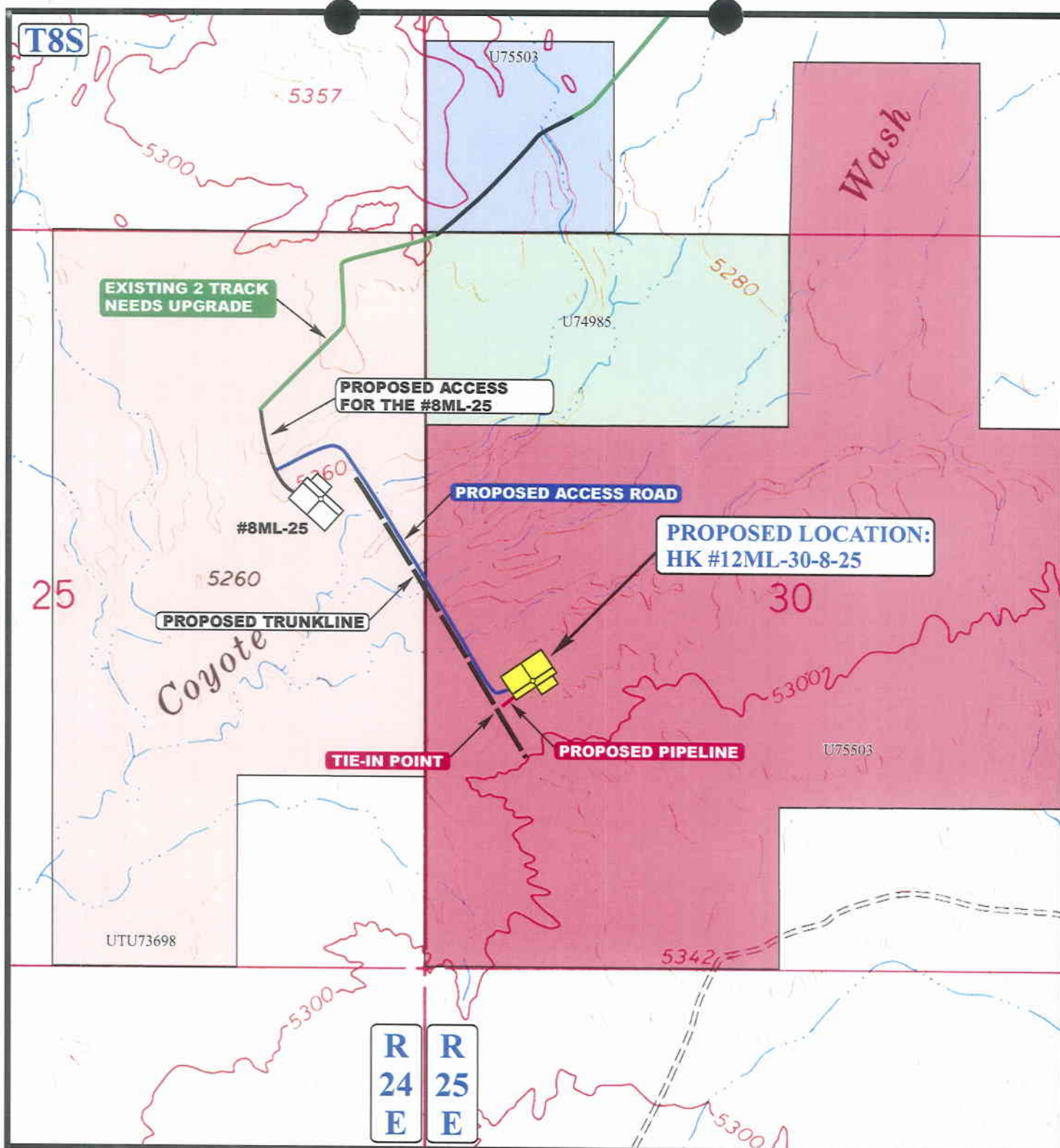
TOPOGRAPHIC
MAP

08 14 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



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APPROXIMATE TOTAL PIPELINE DISTANCE = 100' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

QUESTAR EXPLR. & PROD.

HK #12ML-30-8-25
SECTION 30, T8S, R25E, S.L.B.&M.
2055' FSL 767' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

08 14 05
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

D
TOPO

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/07/2005

API NO. ASSIGNED: 43-047-37114

WELL NAME: HK 12ML-30-8-25

OPERATOR: QUESTAR EXPL & PROD CO (N5085)

CONTACT: JAN NELSON

PHONE NUMBER: 435-781-4331

PROPOSED LOCATION:

NWSW 30 080S 250E

SURFACE: 2055 FSL 0767 FWL

BOTTOM: 2055 FSL 0767 FWL

UINTAH

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-75503

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.09189

LONGITUDE: -109.1498

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESB000024)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-2153)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

☐ R649-2-3.
Unit _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☐ R649-3-3. Exception
☐ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
☐ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal approved

2- Spacing Slip

COYOTE BASIN FIELD

COYOTE BASIN
FED 14-18

T8S R24E

T8S R25E

CAUSE 129-1

WWI 2MI-24-8-24

WWI 7MI-24-8-24

24

19

20

ROSALYN I

WWI 8MI-25-8-24

25

30

29

HK 12MI-30-8-25

36

31

32

CONOCO STATE 32-2

OPERATOR: QEP UINTA BASIN INC (N2460)

SEC: 30 T. 8S R. 25E

FIELD: WILDCAT (001)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status
 ABANDONED
 ACTIVE
 COMBINED
 INACTIVE
 PROPOSED
 STORAGE
 TERMINATED

Unit Status
 EXPLORATORY
 GAS STORAGE
 NF PP OIL
 NF SECONDARY
 PENDING
 PI OIL
 PP GAS
 PP GEOTHERML
 PP OIL
 SECONDARY
 TERMINATED

Wells Status

GAS INJECTION
 GAS STORAGE
 LOCATION ABANDONED
 NEW LOCATION
 PLUGGED & ABANDONED
 PRODUCING GAS
 PRODUCING OIL
 SHUT-IN GAS
 SHUT-IN OIL
 TEMP. ABANDONED
 TEST WELL
 WATER INJECTION
 WATER SUPPLY
 WATER DISPOSAL
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 09-SEPTEMBER-2005



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

September 12, 2005

Questar Exploration & Production Company
11002 E 17500 S
Vernal, UT 84078

Re: HK 12ML-30-8-25 Well, 2055' FSL, 767' FWL, NW SW, Sec. 30, T. 8 South,
R. 25 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37114.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Questar Exploration & Production Company
Well Name & Number HK 12ML-30-8-25
API Number: 43-047-37114
Lease: UTU-75503

Location: NW SW Sec. 30 T. 8 South R. 25 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BLM VERNAL, UTAH

SEP - 6 2005

SUBMIT IN TRIPLICATE*

FORM APPROVED

OMB NO. 1040-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL ☒

DEEPEN ☐

TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER ☐

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

QUESTAR EXPLORATION & PRODUCTION COMPANY

Contact: Jan Nelson

E-Mail: jan.nelson@questar.com

3. ADDRESS

11002 E. 17500 S. Vernal, Ut 84078

Telephone number

Phone 435-781-4331 Fax 435-781-4323

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*)

At Surface 2055' FSL 767' FWL NWSW, (LOT 3) SECTION 30, T8S, R25E
At proposed production zone

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*

41 +/- SOUTHEAST OF VERNAL, UTAH

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(also to nearest drig,unit line if any)

767' +/-

18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft

16. NO. OF ACRES IN LEASE

960

19. PROPOSED DEPTH

7375'

21. ELEVATIONS (Show whether DF, RT, GR, ect.)

5269' GR

22. DATE WORK WILL START

ASAP

23. Estimated duration

10 days

24. Attachments

The following, completed in accordance with the requirments of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan

3. A surface Use Plan (if location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an exisiting bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

SIGNED

Jan Nelson

Name (printed/typed) Jan Nelson

DATE September 1, 2005

TITLE

Regulatory Affairs

(This space for Federal or State office use)

CONDITIONS OF APPROVAL ATTACHED

PERMIT NO.

Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL IF ANY:

APPROVED BY

Howard B. Clary

Assistant Field Manager
Mineral Resources

*See Instructions On Reverse Side

DATE

01/31/2006

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

FEB 06 2006

Accepted by the
Utah Division of
Oil, Gas and Mineral
FOR RECORD ONLY

NOTICE OF APPROVAL

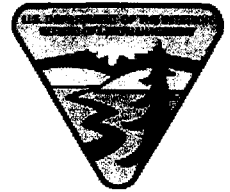
CONFIDENTIAL

UDOGM



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO
DRILL**

Company: Questar Expl. & Prod., Co. Location: Lot 3, Sec 30, T8S, R25E
Well No: HK 12ML-30-8-25 Lease No: UTU-75503
API No: 43-047-37114 Agreement:

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

NOTIFICATION REQUIREMENTS

- | | | |
|---|---|--|
| Location Construction
(Notify Paul Buhler) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify Paul Buhler) | - | Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice
(Notify Petroleum Engineer) | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the resspreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
2. As a Best Management Practice (BMP), the pipeline will be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation.
3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.
4. If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Production casing cement top shall be at a minimum of 1700' to protect and isolate the Mahogany Oil Shale.
2. A Cement Bond Log shall be run from TD to the base of the surface casing shoe.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office.

All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.

6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/4 1/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.

13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75503
2. NAME OF OPERATOR: QEP UINTA BASIN, INC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (435) 781-4331		8. WELL NAME and NUMBER: HK 12ML-30-8-25
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2055' FSL 767' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 30 8S 25E		9. API NUMBER: 4304737114
		10. FIELD AND POOL, OR WILDCAT: WILDCAT
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the HK 12ML-30-8-25

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-25-06
By: [Signature]

NAME (PLEASE PRINT) Jan Nelson TITLE Regulatory Affairs
SIGNATURE [Signature] DATE 9/6/2006

(This space for State use only)

COPY SENT TO OPERATOR
Date: 9/21/06
Initials: RM

RECEIVED

SEP 08 2006

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37114
Well Name: HK 12ML-30-8-25
Location: 2055' FSL 767' FWL, NWSW, SEC. 30, T8S, R25E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 9/12/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

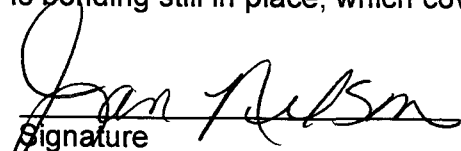
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

9/6/2006

Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

RECEIVED

SEP 08 2006

DIV. OF OIL, GAS & MINING

State of Utah
Division of Oil, Gas and Mining

ENTITY ACTION FORM - FORM 6

OPERATOR: ~~GEP Uinta Basin, Inc.~~
ADDRESS: 11002 East 17500 South
Vernal, Utah 84078-8526

Questar Exploration OPERATOR ACCT. No. ~~N-2480~~ 5085
(435)781-4300

Action Code	Current Entity No.	New Entity No.	API Number	Well Name	QQ	SC	TP	RG	County	Spud Date	Effective Date
A	99999	15201	43-047-37114	HK 12ML 30 8 25	NWSW	30	8S	25E	Uintah	9/16/2006	
WELL 1 COMMENTS: MVRD											RECEIVED SEP 29 2006
CONFIDENTIAL											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected

(3/89)

Signature _____
Office Administrator II 9/27/06
Title Date

Phone No. (435)781-4342

CONFIDENTIAL

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

CONFIDENTIAL

2. Name of Operator

QEP, UINTA BASIN, INC.

3. Address and Telephone No.

11002 E. 17500 S. VERNAL, UT 84078-8526

Contact: Dahn.Caldwell@questar.com

435-781-4342 Fax 435-781-4357

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2055' FSL, 767' FWL, NWSW, SEC 30-T8S-R25E

5. Lease Designation and Serial No.

UTU-75503

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

HK 12ML 30 8 25

9. API Well No.

43-047-37114

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other SPUD
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

On 9/16/06 - Drilled 90' of 20" conductor hole. Ran 90' of 14" conductor pipe and cement w/ Ready Mix.

Drilled 12-1/4" hole. Run 11 jts 9-5/8" J-55 36# csg to 465' KB. Cmt w/ 210 sxs Class 'G' cmt.

3 - BLM, 2- Utah OG&M, 1 - Denver, 1 - file Word file-server

RECEIVED
SEP 29 2006

14. I hereby certify that the foregoing is true and correct.

Signed **Dahn F. Caldwell**

Office Administrator II

DIV. OF OIL, GAS & MINING

Date **9/27/06**

(This space for Federal or State office use)

Approved by:

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

☐

Well

☐

Well

☒

Other

P&A

CONFIDENTIAL

2. Name of Operator

QEP- Uinta Basin, Inc.

3. Address and Telephone No.

11002 E. 17500 S. VERNAL, UT 84078-8526

Contact: jane.pennell@questar.com

435-828-3038 Fax 435-781-4357

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2055' FSL, 767' FWL, NWSW, SEC 30-T8S-R25E

5. Lease Designation and Serial No.

UTU-75503

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

HK 12ML 30 8 25

9. API Well No.

43-047-37114

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☒

Abandonment

☐

Recompletion

☐

Plugging Back

☐

Casing Repair

☐

Altering Casing

☐

Other

☐

Change of Plans

☐

New Construction

☐

Non-Routine Fracturing

☐

Water Shut-Off

☐

Conversion to Injection

☐

Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Please be advised that we plugged & abandon this well.

On 10/2/06 - MIRU cmt crew.

Plug #1 @ 7249' cmted w/ 118 sxs. Tagged @ 6618'.

Plug #2 @ 4955' cmted w/ 117 sxs. Tagged @ 4521'.

Plug #3 @ 3811' cmted w/ 243 sxs.

Plug #4 @ 890' cmted w/ 48 sxs. Tagged @ 780'.

Plug #5 @ 511' cmted w/ 50 sxs. Tagged @ 380'.

Plug #6 well head to 90'. RDMO on 10/4/06.

3 - BLM, 2- Utah OG&M, 1 - Denver, 1 - file Word file-server

14. I hereby certify that the foregoing is true and correct.

Signed

JIM SIMONTON

COMPLETION SUPERVISOR

Date

11/16/06

(This space for Federal or State office use)

Approved by:

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side).

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

CONFIDENTIAL

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. UTU-75503																															
b. TYPE OF COMPLETION NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR <input type="checkbox"/> Other _____		7. UNIT AGREEMENT NAME N/A																															
2. NAME OF OPERATOR QUESTAR EXPLORATION & PRODUCTION, CO.		9. WELL NO. HK 12ML 30 8 25																															
3. ADDRESS OF OPERATOR 1571 East 1700 South - Vernal, UT 84078		10. FIELD AND POOL, OR WILDCAT UNDESIGNATED																															
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface NWSW, 2055' FSL, 767' FWL, SEC 30-T8S-R25S At top rod. interval reported below NWSW, 2055' FSL, 767' FWL, SEC 30-T8S-R25S At total depth NWSW, 2055' FSL, 767' FWL, SEC 30-T8S-R25S		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA SEC 30-T8S-R25E																															
14. PERMIT NO. 43-047-37114		12. COUNTY OR PARISH UTAH																															
15. DATE SPUDDED 9/16/2006		13. STATE UT																															
16. DATE TD. REACHED 9/30/2006		18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* KB																															
17. DATE COMPL. (Ready to prod.) N/A - P&A 10/2/06		19. ELEV. CASINGHEAD N/A																															
20. TOTAL DEPTH, MD & TVD 7376'		21. PLUG BACK TD., MD & TVD 5270'																															
22. IF MULTIPLE COMPL., HOW MANY* N/A		23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS																															
24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)* N/A		25. WAS DIRECTIONAL SURVEY MADE N/A																															
26. TYPE ELECTRIC AND OTHER LOGS RUN HRI & HRI SPECTRAL DENSITY DSN		27. WAS WELL CORED NO																															
28. CASING RECORD (Report all strings set in well) <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>CASING SIZE</th> <th>WEIGHT, LB./FT.</th> <th>DEPTH SET (MD)</th> <th>HOLE SIZE</th> <th>CEMENTING RECORD</th> <th>AMOUNT PULLED</th> </tr> </thead> <tbody> <tr> <td>9-5/8"</td> <td>36#</td> <td>465'</td> <td>12-1/4"</td> <td>210 SXS</td> <td></td> </tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>				CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED	9-5/8"	36#	465'	12-1/4"	210 SXS																			
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DATE OF TEST N/A		HOURS TESTED N/A																															
CHOKE SIZE N/A		PROD'N FOR TEST PERIOD N/A																															
FLOW. TUBING PRESS. N/A		CASING PRESSURE N/A																															
CALCULATED 24-HOUR RATE N/A		OIL-BBL. N/A																															
GAS-MCF N/A		WATER-BBL. N/A																															
OIL GRAVITY-API (CORR.) N/A		GAS-OIL RATIO N/A																															
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) N/A		TEST WITNESSED BY N/A																															
35. LIST OF ATTACHMENTS NONE																																	
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records																																	
SIGNED JIM SIMONTON		TITLE COMPLETION SUPERVISOR																															
DATE 5/3/07		DATE 5/3/07																															

(See Instructions and Spaces for Additional Data on Reverse Side)

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DIV. OF OIL, GAS & MINING

RECEIVED
JUN 14 2007

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
GREEN RIVER	SURFACE		
WASATCH	3730'		
MESA VERDE	4990'		
TD	7376'		
THE HK 12ML 30 8 25 WAS P&A ON 10/2/06.			

38. GEOLOGIC MARKERS
HK 12ML 30-8-25

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
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WASATCH	3730'	
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CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE

1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input type="checkbox"/> Well <input type="checkbox"/> Well <input checked="" type="checkbox"/> Other P&A	5. Lease Designation and Serial No. UTU-75503
2. Name of Operator QEP- Uinta Basin, Inc.	6. If Indian, Allottee or Tribe Name N/A
3. Address and Telephone No. 11002 E. 17500 S. VERNAL, UT 84078-8526 Contact: jane.pennell@questar.com 435-828-3038 Fax 435-781-4357	7. If Unit or CA, Agreement Designation N/A
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14. I hereby certify that the foregoing is true and correct.
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Conditions of approval, if any _____

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